

Canadian Bronze Company, Limited

Montreal, Canada



Annual Report
1935

PURVIS HALL
LIBRARIES

JAN 5 1946

CANADIAN BRONZE COMPANY,
LIMITED

and Wholly Owned Subsidiary Companies

MONTREAL BRONZE, LIMITED
NORTHWESTERN BRASS, LIMITED
ST. THOMAS BRONZE CO., LIMITED
DIAMOND BRONZE COMPANY, INC.
WINNIPEG BRASS LIMITED
NATIONAL BRONZE COMPANY, LIMITED

CANADIAN BRONZE COMPANY, LIMITED

DIRECTORS

SIR CHARLES B. GORDON, G.B.E.	SIR HERBERT S. HOLT
ALBERT E. DYMENT	ERNEST R. DECARY
ROSS H. McMASTER	JOSEPH A. KILPATRICK
RICHARD O. JOHNSON	H. CARSON FLOOD
WILLIAM L. BAYER	

OFFICERS

W. L. BAYER, *President and Managing Director.*
R. J. KING, *Treasurer.*
W. C. PAQUETTE, *Secretary.*
F. C. COLE, *Assistant Secretary.*

Solicitors

WAINRIGHT, ELDER & McDougall

Executive Offices

999 DELORIMIER AVENUE - MONTREAL



CANADIAN BRONZE COMPANY, LIMITED

TO THE SHAREHOLDERS:

Your Directors take pleasure in submitting the Income Account and Balance Sheet showing the results of the past year's business and the financial position of your Company as of December 31st, 1935.

During 1935 the railroads were more active and came into the market for new equipment after a non-buying period of several years, therefore the business of your Company accordingly benefited. Industrial business also showed a steady increase and the net result was that your foundries operated at a greater tonnage than has been possible for several years. In addition to the foregoing your Company was favored by an increase in the price of copper which enabled excess inventory to be liquidated to advantage.

During the year regular dividends were paid on the preferred stock, three quarterly dividends of 15 cents a share on the common stock, and a final interim dividend of 65 cents a share.

You will note that the bank loan of \$120,000.00 shown in your last annual report has been entirely liquidated. The strong liquid position which your Company continues to maintain will enable it to take advantage of opportunities for a larger volume of business which now appear to be developing.

As it is the policy of your Company to keep its production facilities at the highest possible level of efficiency, your plants have been well maintained at all times. The Technical and Research Department and the Service Department continue to be of great advantage to your business. The former serves not only to maintain a high standard of quality in your products but also to develop new uses and new outlets. The Service Department has also been most efficient in maintaining close co-operation between your Company and its customers.

Monthly meetings of your Board of Directors were held throughout the year, the books of your Company have been audited regularly and the certificate of the Auditors appears herewith.

Your Directors desire again to express their appreciation of the efficient work and loyal co-operation of the employees.

By Order of the Board,

W. L. BAYER, *President.*

CANADIAN BRONZE

AND WHOLLY OWNED

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS:

Cash on Hand, in Banks and on Call	143,698.06	
Accounts Receivable less Reserve for Doubtful Accounts	171,908.05	
Inventories of Raw Material, Goods in Process and Finished Stock	361,058.24	
Less—Inventory of Raw Mater- ial held for Customers' Account	34,487.93	326,570.31
Quantities determined by actual count or weight, priced at the lower of Cost or Market and certified to by Officers of the Companies	—	642,176.42

INVESTMENTS:

Marketable Securities—

Bonds and Preferred and Com- mon Stocks of Canadian and Foreign Companies	238,717.65	
Less—Reserve	142,584.44	96,133.21
(Approximate Market Value \$128,658.25)		

Non-Marketable Securities—

Guaranteed First Mortgage Certificates	57,500.00	
Less—Reserve	22,500.00	35,000.00
		131,133.21
Interest accrued to date	975.00	132,108.21

DEFERRED CHARGES TO OPERATIONS	840.00
--	--------

FIXED ASSETS:

Real Estate, Buildings, Machinery and Tools, Plant, Patterns, Office Furniture and Fixtures. Valued on the basis of appraisals made on 30th April 1934 and 13th October 1934 by the Canadian Appraisal Company, Limited, with subsequent additions since the dates of these appraisals at Cost	1,379,411.89	
Less—Reserve for Depreciation	521,563.71	857,848.18

CONTRACTS, RIGHTS, PATENTS AND GOODWILL:	1.00
--	------

\$1,632,973.81

COMPANY, LIMITED

SUBSIDIARY COMPANIES

as at 31st December 1935

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable.....	90,406.02	
Dividends Payable 1st February 1936—		
On Preferred Shares in hands of		
Public.....	12,600.00	
On Common Shares.....	52,000.00	64,600.00
Dominion and Provincial Income Taxes.....	38,142.20	
Sales Tax Payable.....	7,901.48	201,049.70

INSURANCE RESERVE.....		13,993.62
------------------------	--	-----------

7% CUMULATIVE REDEEMABLE SINKING FUND PREFERRED STOCK:

Authorized—

15,000 Shares of \$100.00 Par Value \$1,500,000.00

Issued and Paid-up—

12,500 Shares.....	1,250,000.00	
5,300 Shares purchased for Redemption		
and Cancellation.....	530,000.00	
7,200 Shares in hands of Public.....		720,000.00

COMMON STOCK AND EARNED SURPLUS:

Common Stock—Without Nominal or Par Value:

Authorized—100,000 Shares

Issued and Paid-up—80,000 Shares..... 197,395.24

Earned Surplus—as per attached Statement.... 500,535.25 697,930.49

\$1,632,973.81

Approved on behalf of the Board,

C. B. GORDON }
W. L. BAYER } *Directors.*

AUDITORS' REPORT

TO THE SHAREHOLDERS,

CANADIAN BRONZE COMPANY, LIMITED, MONTREAL.

We have audited the books and accounts of Canadian Bronze Company, Limited, and its Wholly Owned Subsidiary Companies for the year ended 31st December 1935, and we have obtained all the information and explanations which we have required.

We report that, in our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Companies' affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Companies.

(Signed) McDONALD, CURRIE & CO.,

MONTREAL, 27th January 1936.

Chartered Accountants.

CANADIAN BRONZE COMPANY, LIMITED
AND
WHOLLY OWNED SUBSIDIARY COMPANIES

*Consolidated Statement of Profit and Loss
for the year ended 31st December 1935*

OPERATING PROFITS—

Transferred from Subsidiary Companies.....	\$270,963.43		
Less—Provision for Depreciation on Fixed Assets.....	29,860.00		
Provision for Dominion and Pro- vincial Income Taxes.....	37,500.00		
Legal Fees.....	1,079.30		
Directors' Fees.....	1,807.50		
Salaries and Fees of Executive Officers.....	26,612.50	96,859.30	174,104.13

NET REVENUE—

from Investments, Interest and Rentals.....	9,699.76
---	----------

NET PROFITS—for the Year.....	183,803.89
-------------------------------	------------

Deduct—Preferred Dividends on Shares in
Hands of Public:

Paid and Payable.....	50,400.00
-----------------------	-----------

Provision for Sinking Fund
for Redemption of Preferred Shares

13,340.39

Common Dividends:

Paid and Payable.....	88,000.00	151,740.39
-----------------------	-----------	------------

BALANCE OF PROFITS—FOR THE YEAR

Transferred to Consolidated Statement of Earned Surplus.....	\$ 32,063.50
---	--------------

CANADIAN BRONZE COMPANY, LIMITED
AND
WHOLLY OWNED SUBSIDIARY COMPANIES

*Consolidated Statement of Earned Surplus
for the year ended 31st December 1935*

GENERAL SURPLUS:

BALANCE AT CREDIT as at 31st December 1934.....	311,744.52	
Add—BALANCE OF PROFITS for the year.....	32,063.50	
BALANCE AT CREDIT as at 31st December 1935.....		343,808.02

OTHER SURPLUS:

Provided out of Profits for Sinking Fund, an equivalent amount having been applied in purchases of Preferred Stock prior to 31st December 1930—

BALANCE as at 31st December 1934.....	143,386.84	
Add—Amount provided in respect of the year ended 31st December 1935.....	13,340.39	156,727.23

BALANCE AS AT 31ST DECEMBER 1935

as per Consolidated Balance Sheet.....		<u>\$500,535.25</u>
--	--	---------------------

CANADIAN BRONZE COMPANY,
LIMITED

Works located at

MONTREAL, QUEBEC
ST. THOMAS, ONTARIO
WINNIPEG, MANITOBA
CALGARY, ALBERTA
LYNDONVILLE, VERMONT

Transfer Agents:

THE ROYAL TRUST COMPANY
MONTREAL and TORONTO

Registrars:

THE TORONTO GENERAL TRUSTS CORPORATION
MONTREAL and TORONTO

